

OBJECTIVES1730
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Priority

A.

The Intelligence Community, and CIA in particular are passing through a crisis of public confidence. If the nation is to have the intelligence system it needs, that confidence must be restored.

At the same time the political atmosphere of the day, together with the breakdown in confidence, has encouraged an attack on the conventional defenses of intelligence security. If the national intelligence system is to be effective, better defenses must be found for those things essential to intelligence operations.

The need for public confidence and the need for secrecy mean that change is inevitable. Congress will clearly reconsider the intelligence provisions of the National Security Act of 1947. There is thus a unique opportunity to make fundamental improvements in Community management, and ultimately in the intelligence product; improvements that many intelligence officers have believed long overdue.

There are thus three major and inter-related categories of measures that are needed: measures to restore public confidence; measures to protect secrecy; measures to improve management.

MORI/CDF

I. Measures to Restore Confidence

A. In the short range, stronger external oversight. (There is a question whether it is proper for CIA to have a position on how it is to be overseen.)

1. Executive. A body devoted to ensuring that foreign intelligence activities are proper and legal (Preferably neither PFIAB nor NSCIC, which have other purposes) Such a body might also serve as a court of appeal and authorization for covert action and for collection operations that raise a question of propriety.

2. Congress. A Joint Committee, or one in each house, to supervise the full range of intelligence activities. No other committees except Appropriations (and Budget?) would have any jurisdiction over CIA.

3. Public. A public commission, formed in some way by agreement of the President and Congress, might serve the purposes of All above for both the Legislative and the Executive Branches.

B. Stronger Internal Controls

1. Character of the DCI. As the Rockefeller Commission pointed out, this is basic but hardly appropriate as an objective.
2. A Stronger IG. Question: Should there be an IG for the Community?
3. Better reporting within the Agency, but this must be balanced against our need not to become bureaucratically muscle-bound.
4. Better record-keeping.

C. In the longer run, public education on the purpose, goals, and techniques of national intelligence.

II. Measures to Protect Secrecy

- A. A statutory basis for classification, more narrowly focused than "national security", more broadly than "sources and methods."
- B. Criminal penalties for unauthorized disclosure of classified information by government employees.
- C. Acceptance, particularly by the Congress, of the principle of "surrogates", i.e., the delegation to a trusted few of the right of access to sensitive classified information.

D. Some modification of the Freedom of Information Act and Privacy Act as they apply to foreign intelligence. (This does not mean to seek blanket exemptions.)

E. Continued concealment of the CIA budget.

F. Measures to accommodate inevitable GAO audit.

III. Measures to Improve Management.

A. Preservation of a national organization for collation and analysis independent of State and Defense.

B. Preservation of national capabilities for covert action and clandestine collection.

C. Preservation of a national capability for R&D on technical collection independent of Defense Dept. constraints.

D. Maintenance of the principle that covert action and clandestine collection cannot be organizationally separated.

E. A redefinition of roles for the DCI and Defense in the intelligence field to take into account both the DCI's national interests and Defense's legitimate departmental vies, thereby to reduce the present bureaucratic guerilla warfare. Consideration must also be given to the rapidly growing need

for the DCI to involve himself in certain aspects of tactical intelligence.

E. On the basis of the above, a greater voice for the DCI in the management of the Community.

1. Greatly strengthened budgetary authority, while preserving the flexibility in handling funds given to the DCI by the CIA Act of 1949.
2. A voice in the management of NSA.
3. A reorganization of the NRO.
4. A mechanism at the senior management level for handling the many important matters involving both State and elements of the Community.
5. A rationalization of the Boards and Committees serving the DCI (USIB, IRAC, EXCOM).

F. Reduction of the DCI's responsibility for management of CIA, both to free him for his Community responsibilities and to avoid the impression of creating a "czar." (There is clearly a political necessity for more than cosmetic change: the DCI and CIA must not come out more powerful than they now appear.)